

AN ORDINANCE AUTHORIZING CAPITAL PROJECTS OF THE CITY OF WILMINGTON RELATING TO UPGRADES AND IMPROVEMENTS TO THE CITY'S TRANSMISSION AND DISTRIBUTION WATER MAINS SYSTEM; AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION BOND, SERIES 2014A-SRF, OR SUCH OTHER DESIGNATION AS THE CITY SHALL DETERMINE, IN ORDER TO PROVIDE THE FUNDS NECESSARY FOR SUCH PROJECTS; PROVIDING FOR THE SALE OF THE BOND TO THE DELAWARE DRINKING WATER STATE REVOLVING FUND; AND AUTHORIZING OTHER NECESSARY ACTION.

#3899

Sponsors:

Council
Members
Freel
Shabazz

WHEREAS, the City of Wilmington (the "City") has determined to undertake certain upgrades and improvements to the City's transmission and distribution water mains, including establishing a redundant transmission network of large diameter piping within the City's high service zone, improvements to the low service transmission and distribution system, reconfiguration of the 48" transmission main down Baynard Boulevard, renewal of an existing high service main and low service main and other improvements as shall be needed (collectively, the "Project"); and

WHEREAS, in order to finance a portion of the Project and pay certain administrative costs relating to the Project and the costs of issuing the Bond (as defined herein), the City has determined to issue its General Obligation Bond, Series 2014A-SRF, or such other designation as the City shall determine (the "Bond"), in a principal amount not to exceed \$4,000,000; and

WHEREAS, the City has heretofore adopted the General Obligation Bond Ordinance, No. 83-019, Chapter 30 of the Wilmington City Code (the "General Ordinance"), authorizing the City to issue general obligation bonds secured by a pledge of the City's full faith, credit and taxing power, for the purpose of, among other things, paying the costs of capital projects; and

WHEREAS, this Ordinance is a Supplemental Ordinance adopted pursuant to the General Ordinance and provides for the issuance and sale of the Bond.

THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

Section 1. Defined Terms. Terms used in this Ordinance and not otherwise defined shall have the meaning specified in the General Ordinance.

Section 2. Authorization of Project. The City hereby approves the Project as described in the recitals hereto and the proper officers of the City are hereby authorized to take all action necessary to proceed with the Project. The City hereby determines that the average useful life of the Project is not less than thirty (30) years.

Section 3. Authorization of General Obligation Bond, Series 2014A-SRF (or another Designation). The City hereby authorizes the issuance of its General Obligation Bond, Series 2014A-SRF, or such other designation as the City shall determine, in a principal amount not to exceed \$4,000,000 pursuant to and in accordance with the General Ordinance, as supplemented by this Ordinance and the Bond Committee Resolution (as defined herein) for the purpose of financing the Project. The Bond shall be sold to the Delaware Drinking Water State Revolving Fund.

The Bond shall be in such principal amount (not exceeding \$4,000,000), shall bear such rate or rates of interest, shall mature in such principal amounts and on such dates, shall be subject to redemption, shall be sold at such price and in such manner, and shall be in such form and contain or be subject to such other terms and conditions, as shall be determined in the Resolution adopted by the City of Wilmington Bond Committee (the "Bond Committee Resolution").

Section 4. Execution of the Bond. The Bond shall be executed by the manual or facsimile signatures of the Mayor, the City Treasurer and the City Auditor, and by the manual or facsimile impression of the City seal, both attested by the manual or facsimile signature of the City Clerk or Deputy City Clerk. The Bond in definitive form may be printed, typewritten or lithographed without steel engraved borders.

Section 5. Security for the Bond. The full faith, credit and taxing power of the City is hereby pledged to the prompt payment of the principal of, premium, if any, and the interest on the Bond. The Bond shall be the direct and unlimited obligation of the City, and unless paid from other sources, the City shall levy *ad valorem* taxes upon all taxable property in the City for the payment of the Bond subject to the

limitation contained in applicable law.

Section 6. Further Action. The appropriate officers of the City are hereby authorized and directed to take all such action, execute, deliver, file and record all such documents, publish all notices and otherwise carry out the intent of the General Ordinance and this Ordinance in the name of and on behalf of the City.

Section 7. Inconsistent Provisions. In the event that any provision of the Bond, or any term or condition contained in any agreement relating to the Bond, shall be inconsistent with any of the provisions of the General Ordinance, the provision of the Bond, this Ordinance and such agreement shall be controlling with respect to the Bond and such agreement.

Section 8. Relation to General Ordinance. This Ordinance is supplemental to the General Ordinance and all sections of the General Ordinance, except as modified herein in accordance therewith, are applicable to the Bond authorized hereunder.

Section 9. Effective Date. This Ordinance shall become effective upon its passage by Council and approval by the Mayor.

First Reading.....February 6, 2014
Second Reading.....February 6, 2014
Third Reading.....February 20, 2014

Passed by City Council, February 20, 2014



President of City Council

ATTEST:



City Clerk

Approved this 3 day of Mar, 2014

Dennis P. Williams
Mayor

Approved as to form this 6th day of
February 2014.

Marilyn Palmick
First Assistant City Solicitor

SYNOPSIS: This Ordinance authorizes the issuance of a General Obligation Bond, Series 2014A-SRF, or such other designation as the City shall determine, in an amount not to exceed \$4,000,000, which shall be sold to the Delaware Drinking Water State Revolving Fund in order to: (i) finance certain upgrades and improvements to the City's transmission and distribution water mains, including establishing a redundant transmission network of large diameter piping within the City's high service zone, improvements to the low service transmission and distribution system, reconfiguration of the 48" transmission main down Baynard Boulevard, renewal of an existing high service main and low service main and other improvements as shall be needed, (ii) pay administrative costs relating to such capital projects and (iii) pay the costs of issuing the Bond.

Agenda #3899

IMPACT STATEMENT

This Ordinance authorizes the issuance of a General Obligation Bond, Series 2014A-SRF, or such other designation as the City shall determine, in an amount not to exceed \$4,000,000, which shall be sold to the Delaware Drinking Water State Revolving Fund in order to: (i) finance certain upgrades and improvements to the City's transmission and distribution water mains, including establishing a redundant transmission network of large diameter piping within the City's high service zone, improvements to the low service transmission and distribution system, reconfiguration of the 48" transmission main down Baynard Boulevard, renewal of an existing high service main and low service main and other improvements as shall be needed, (ii) pay administrative costs relating to such capital projects and (iii) pay the costs of issuing the Bond.